

# FISCAL NOTE

## SB 588 - HB 1598

February 11, 2005

**SUMMARY OF BILL:** Amends current law regarding the funding of the state share of any bill requiring additional local government expenditures. Requires any increased expenditures incurred by cities and counties to be funded by: (1) a new revenue source or an increase in an existing revenue source; or (2) a reduction in appropriations for other programs.

### ESTIMATED FISCAL IMPACT:

**Other Fiscal Impact – Either state revenues will be increased to fund the state share of the increased cost to local governments, or state expenditures will be reduced by an amount corresponding to the state share of the cost to local governments. Under either alternative, revenues to local governments will increase in an amount estimated to exceed \$100,000.**

#### Assumptions:

- Current law requires an amendment to the general appropriations act for any bill resulting in incremental costs to cities and counties exceeding \$50,000.
- Current law allows for \$1,000,000 of the increase in certain state-shared taxes to be available for allocation to cities and counties to meet the added costs of bills.
- Section 42 of the general appropriations act, with regards to the \$1,000,000 allocation, would have to be amended if this bill is enacted.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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